

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 1st day of December, 2008 the City Council of the City of Aransas Pass convened in a Regular Council Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT: Tommy Knight, Mayor
Jay Attaway, Mayor Pro Tempore
Vickie Abrego, Council Member
Frank Hametner, Council Member
Karen Mayer, Council Member

ABSENT:

ADMINISTRATIVE
PERSONNEL PRESENT: K. M. Hubert, City Manager
Allen Lawrence, City Attorney
Ada Owens, City Secretary

Sympathy
ADMINISTRATIVE
PERSONNEL ABSENT:

STAFF PRESENT: Bill Haines, Asst. Police Chief/Harbormaster
Frank Truitt, City Inspector
Don Brummett Acting Public Works Director

OTHERS PRESENT: Lu & Ralph Arcemont, Jerry & Wilma Anderson, H.E. & Joyce Naumann, John Head, Nancy Allen, R. & Phyllis Henshue, Edward & Ellie Block, Robert Henshaw (for David & Deborah Urbanski), Nancy Fromme, Rosemary Vega/Chamber of Commerce, Donna Cherry/Aransas Pass for Youth, Michael Dallas, Jeanie Brummett, James Goldston/CHZM Engineering, Jack Chaney/Aransas County Commissioner Elect, Phil & Nell Reynolds, Hope Comingore, Judith Vlasek, JoAnn Biek, Paul Biek, Monica Berger, Joe & Marianne Adams, Eva Young, Patty Gilden, John & Elizabeth Sweeney, Margaret Garrett, Robert Cohen, David Underbink & Steven Rhea/Naismith Engineering, Marylin Rimer/Herald, Colleen Abshire, City by the Sea residents: Donald Vlasek, Steve Oakley, Pamela Dixon, Jim Rummage, Duncan & Carie Alline, Donna Hyett, Pat graves, Don Groves, Avery Blankenship, B.J. Adkins, Tom & Linda Collins, S. Blercher, Mike Wosely, Paul Blercher, Robert Mickler, Mary Rummage.

There may have been others present who did not sign in.

ITEM 1. CALL MEETING TO ORDER.

Mayor Knight called the meeting to order at 7:00 p.m. on December 1, 2008.

ITEM 2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG.

Council Member Abrego gave the invocation. Mayor Knight led the Pledge of Allegiance to the United States flag.

ITEM 3. CONSENT AGENDA: *“All of the following items on the Consent Agenda are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Councilmember so requests. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.”*

- A. Approval of minutes of November 17 and November 24, 2008.
- B. Consider and Act on Ordinance No. 2008-3951 – an Ordinance of the City of Aransas Pass Approving the Rezoning of 3.133 acres, Landblock 208, Tract 1, Farmlot 9, Burton & Danforth Subdivision, from R7A-Residential District to MH-Manufactured Home District.

Councilmember Mayer made the motion to approve the Consent Agenda. Mayor Pro Tempore Attaway seconded the motion and the motion carried unanimously.

ITEM 21. **CONSIDER AND ACT ON PROPOSED ANNEXATION.**

Mayor Knight moved Item 21 for the convenience of City by the Sea residents and other attendees concerned with the City's annexation plans.

City Manager Kandi Hubert stated there were 148 houses in City by the Sea and 8 houses in the La Buena Vida Subdivision.

Discussion was held on the statute requiring the houses to be dwelling versus residents of the property proposed for annexation.

City Attorney Allen Lawrence stated the statute referred to "dwellings" and there was no definition (of "dwelling") in the statutes. He stated he called Texas Municipal League (TML) and TML agreed that dwellings "did not have to be just homesteads".

David Underbrink with Naismith Engineering showed maps of the proposed annexation areas and explained that the map showed the corporate limits of Aransas Pass, the City's Extra Territorial Jurisdiction (ETJ), and potential areas of annexation. He stated the City could only annex within its ETJ in any one year. He stated he had been asked to concentrate on the area (to the south) between Ingleside and the current boundary of Aransas Pass. He stated in the Council Workshop last week he had shown the aerial map of those developed areas outside the city limits. He stated a map showing valuation, according to the County Appraisal District, indicated most of the land was unimproved or improved slightly. He stated areas were coded (on the map he was showing) to show valuation, just to get an idea if there were areas higher in value than others. He stated there were areas valued at higher limits, the limits shown were up to \$50,000.00 per acre, between \$50,000.00 and \$250,000.00, and then beyond \$250,000.00 per acre. The properties were coded to see if there were any areas higher in value than other areas to make the decisions on annexation easier.

Mr. Underbrink stated the Council had instructed him to look at the area north of the City and he had an exhibit (map) showing potential areas that could be annexed. He stated there was an area east of Highway 35; an area west of Highway 35, and two areas filling out the ETJ. He stated any of the areas could be annexed in one year, but not all of them. He stated if the Council annexed any more than 99 residences in one year the City would fall into another category and have to go through a planned program of annexation which would take a minimum of three years. He stated the Council wanted to explore the possibilities of annexing up to 100 residences and no more than that. He stated the northern area was broken into five pieces (on the map) and showed how many residences were in each area. He stated the separate areas consisted of 270, 5, 10, 66 and 62 residences (as he pointed the areas out on the map). He stated the areas were not well populated except on the north side of the City and that was City by the Sea where all the population resides. He stated there are other areas developing, but are not built out yet like City by the Sea. He stated he looked at potential annexations within that particular area.

Mr Underbrink stated there were three ideas for the northern area that could be combined. He stated there is an area that takes in approximately 99 residences that includes approximately half of City by the Sea and goes back (south) to the city limits. He stated if the City wanted to annex the following year, they could start with the new line (that split City by the Sea). He stated the next drawing essentially split City by the Sea in half and would go to the ETJ, still giving approximately 99 residences. He stated that annexation would be important because the further north the city limits went the quicker the boundaries of Aransas Pass would be set, in case the City was trying expand toward Rockport. He stated the next idea was similar and took in approximately 99 residences more toward the north and left out City by the Sea and went to the northern ETJ.

Mayor Knight asked Mr. Underbrink did he know where Rockport's ETJ line was?

Mr. Underbrink stated the ETJ was shown on Rockport's website but he did not think it was correct. He stated Rockport had also annexed water and the ETJ went along the shoreline.

Mr. Underbrink stated the City could choose to implement one plan or a combination of plans. He stated if the objective was to annex City by the Sea then the Council would take one of the ideas regarding annexing City by the Sea. He stated if the objective of the City was to go further north so the City can get control of the area for development, then the Council would use the third idea (annex toward Rockport).

Mr. Underbrink asked for questions from the Council.

Mayor Knight asked had the City looked at sewer line costs (for annexed areas)?

Mr. Underbrink stated they did have sewer costs but only in terms of general data, it would cost \$500,000.00 to \$1M to install sewer. He stated it would also require a new lift station with gravity lines to the lift station then a force main to the existing sewer system in the City. He stated the lines would get too deep if only gravity lines were used.

Council Member Hametner asked would the cost of the sewer lines include hookups to the residences?

Mr. Underbrink stated yes.

Council Member Hametner asked were there any grants available to assist with the sewer line construction?

Mr. Underbrink stated he was not aware of any grants available. He stated he would research for grants, but was pretty sure it would come up empty.

Mayor Knight stated he thought the item should be tabled for further review.

Council Member Mayer made the motion to table the item for further review. Council Member Hametner seconded the motion and the motion carried unanimously.

Council Member Hametner introduced Aransas County Commissioner Elect Jack Chaney who spoke about cooperation between the City and County residents regarding the proposed annexation and future endeavors.

ITEM 4. CONSIDER AND ACT ON REQUEST OF ARANSAS PASS FOR YOUTH TO USE THE SHRIMPOREE GROUNDS FOR THE KELLY MILLER CIRCUS ON MARCH 4, 2009.

Donna Cherry with Aransas Pass for Youth (APFY) stated the Circus had their own insurance coverage and would cover APFY and the City of Aransas Pass. She stated all proceeds would go to the APFY Summer Camp.

Council member Mayer made the motion to approve the request of APFY to use the Shrimporee Grounds for the Kelly Miller Circus on March 4, 2009 on the conditions that the circus provide proof of insurance before March 4, 2009 and the circus passed a check by the Police Department. Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 5. CONSIDER AND ACT ON RESOLUTION 2008-608 – AUTHORIZING THE TAX RESALE OF LOT 5, BLOCK 220, ARANSAS PASS.

After discussion, Council Member Hametner made the motion to authorize the tax resale of Lot 5, Block 220, Aransas Pass. Council Member Abrego seconded the motion and the motion carried unanimously.

ITEM 6. CONSIDER AND ACT ON RESOLUTION 2008-609 – AUTHORIZING THE TAX RESALE OF LOT 29, BLOCK 350, ARANSAS PASS.

After discussion regarding the appraised value of the property and the street assessment owed to the City, Council Member Hametner made the motion to table the item. Council Member Mayer seconded the motion and the motion carried unanimously.

ITEM 7. PRESENTATION BY THE DAWLETT GROUP REGARDING CONN BROWN HARBOR.

Haythem Dawlett discussed the potential of Conn Brown Harbor and proposed that the City allow the company to assess and evaluate the potential of the Harbor with a market study and land plan.

Mayor Knight asked Mr. Dawlett how much time would he need for the market study?

Mr. Dawlett stated six months.

Mayor Knight asked Mr. Dawlett mid-April (2009)?

Mr. Dawlett stated that would be fine.

Council Member Hametner stated Mr. Dawlett would be tying the City up for a considerable period of time. He asked Mr. Dawlett would he be willing to escrow any money or give the City a letter of credit towards the studies in order to implement that?

Mr. Dawlett stated if he gave the City a letter of credit or escrowed the money, he would be spending the money twice. He stated he could give the Council a valuation in 60 to

90 days that shows what contract the Group had put in motion, what studies were being done and the Council could evaluate it. He stated the Group was willing to spend the money without having a deal (with the City).

Mike Sullinger, Harbor Project Manager, suggested that at the end of the study the City take possession of the study.

Mr. Dawlett stated that would be fine.

Council Member Hametner discussed development of Conn Brown Harbor and stated anything he could do to help development in Aransas Pass he would do. He stated if Mr. Dawlett could come back after the holidays and give the Council a small scope of work and what would be done, he would certainly vote for that.

Mayor Knight stated the Council could not vote on the item, but he had no problem with the proposal and Mr. Dawlett should come back (to the Council) after the first of the year and his request would be an action agenda item.

Council Member Abrego asked did that mean nothing else would take place (in Conn Brown Harbor development) or no one else would be allowed to come in (to give a presentation)?

Mayor Knight stated yes, but others could make a presentation.

Council Member Abrego stated she wanted to make sure Mr. Dawlett's conditions did not close the door on any other developer's presentations or meetings with Mike Sullinger.

Mayor Knight stated the Council would not make any deals with developers until after Mr. Dawlett's presentation.

Mr. Sullinger stated that Mr. Dawlett was willing to invest \$50,000.00 to do the market study to see exactly what the City has and Mr. Dawlett wants the Council to wait at least 120 days before any other offer is accepted.

ITEM 8. PRESENTATION BY JIM SABONIS, FIRST SOUTHWEST SECURITIES, REGARDING FINANCING OPTIONS AND BOND RELATED ISSUES.

Mr. Sabonis gave a presentation on the history, goals, rankings, cost analysis, development strategies, experience of the staff, credentials of the staff and company, and the company's involvement with economic development.

The City Manager stated when there is a project and an engineer is brought in, it was standard procedure that the City pick the engineer to review the project and the developer pays for it. She stated she did not want the City to have to pay for the financing of the project, she wanted it to be a pass-through cost where the developer pays to have his financing evaluated.

Council Member Hametner discussed Southwest Securities who had done business with the Aransas Pass School District for many years and were a good company. He stated the City Manager should have wide discretion to bring in the professionals that were needed to have the City go forward.

Council Member Mayer asked did the City have a contract with Southwest Securities?

The City Manager stated not to her knowledge, but was told the contracts were per project. She suggested Item 9 be tabled as she was just bringing options to the Council and the first developer had not yet made a presentation.

ITEM 9. CONSIDER AND ACT ON FINANCING OPTIONS AND BOND ISSUES.

Council Member Mayer made the motion to table Item 9. Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 10. CONSIDER AND ACT ON ORDINANCE NO. 2008-3949 – AN ORDINANCE OF THE CITY OF ARANSAS PASS, TEXAS, REPEALING ARTICLE II, CHAPTER 24 OF THE CODE OF ORDINANCES AND ADOPTING A NEW ARTICLE II, CHAPTER 24; PROVIDING A REPEALER PROVISION AND FOR AN EFFECTIVE DATE. (MODEL SUBDIVISION RULES)

After discussion on what the ordinance meant, Council Member Mayer made the motion to approve Ordinance No. 2008-3949, – An Ordinance of the City of Aransas Pass, Texas, repealing Article II, Chapter 24 of the Code of Ordinances and adopting a new Article II, Chapter 24; Providing a Repealer Provision and for an effective date. (Model

Subdivision Rules). Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 11. CONSIDER AND ACT ON ORDINANCE NO. 2008- 3951 REGARDING “FOOD ESTABLISHMENTS.”

The City Manger stated San Patricio County would be enforcing the food establishment rules as they had in the past.

Council Member Mayer made a motion to approve Ordinance 2008-3951 regarding “Food Establishments.” Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 12. CONSIDER AND ACT ON ACCEPTING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF ARANSAS PASS AND SAN PATRICIO COUNTY TO PROVIDE HEALTH RELATED SERVICES TO THE CITY OF ARANSAS PASS.

Mayor Knight stated this was an extension of the City’s present agreement with San Patricio County.

Council Member Hametner made the motion to accept an Interlocal Agreement between the City of Aransas Pass and San Patricio County to provide health related services to the City of Aransas Pass. Council Member Abrego seconded the motion and the motion carried unanimously.

ITEM 13. CONSIDER AND ACT ON A CONTRACT AND AGREEMENT BETWEEN THE CITY OF ARANSAS PASS AND SAN PATRICIO COUNTY TO PROVIDE SANITATION SERVICES TO THE CITY OF ARANSAS PASS.

The City Manager stated San Patricio County would be inspecting septic tanks.

Council Member Hametner made the motion to approve a contract and agreement between the City of Aransas Pass and San Patricio County to provide sanitation services to the City of Aransas Pass. Mayor Pro Tempore Attaway seconded the motion and the motion carried unanimously.

ITEM 14. CONSIDER AND ACT ON ACCEPTING THE “INTERLOCAL AGREEMENT-ROADS” BETWEEN THE CITY OF ARANSAS PASS AND ARANSAS COUNTY.

Council Member Hametner made the motion to accept the Interlocal Agreement-Roads between the City of Aransas Pass and Aransas County. Mayor Pro Tempore Attaway seconded the motion and the motion carried unanimously.

ITEM 15. CONSIDER AND ACT ON APPOINTING TEMPORARY BOARD DIRECTORS TO THE CRIME PREVENTION DISTRICT FOR NUECES AND SAN PATRICIO COUNTIES.

After discussion, the item as passed over to give the public time to participate.

ITEM 16. CONSIDER AND ACT ON CHANGE ORDER NO. 5 (CIVIC CENTER).

After consensus to combine Items 16, 17 and 18, Council Member Mayer made the motion to approve Item 16, Item 17 and Item 18. Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 17. CONSIDER AND ACT ON CHANGE ORDER NO. 6 (CIVIC CENTER).

Passed under Item 16.

ITEM 18. CONSIDER AND ACT ON CHANGE ORDER NO. 7 (CIVIC CENTER).

Passed under Item 16.

ITEM 19. CONSIDER AND ACT ON APPROVING PURCHASE OF SECURITY SYSTEM AND SERVICE PROGRAM FROM ADT SECURITY SERVICES, INC. FOR THE CIVIC CENTER.

Item was passed over.

ITEM 20. CONSIDER AND ACT ON CONTRACTING WITH MICHAEL ARNOLD, CPA/PLLC FOR AUDITING SERVICES FOR THE CITY OF ARANSAS PASS’ 2007-2008 FISCAL YEAR AUDIT.

Mayor Pro Tempore Attaway made the motion to contract with Michael Arnold, CPA/PLLC for auditing services for the City of Aransas Pass’ 2007-2008 fiscal year

audit. Council Member Mayer seconded the motion and the motion carried unanimously.

ITEM 22. CONSIDER AND ACT ON INITIATING AN ARANSAS PASS RECREATION/SPORTS CENTER.

The City Manager stated this item was about looking for a City building or looking for money to start offering programs to the youth.

Discussion was held on some programs initiated by citizens and the need for locations to have programs for young people in the City.

ITEM 23. CITIZENS' COMMENTS.

Elizabeth Roberts, Library Board Director, invited the community to the Public Library Open House on Saturday, December 13.

There were complaints regarding dogs running loose on Saunders Street.

Margaret Garrett from Harbor Shrimp Company stated she lived at 159 N. 13th Street.

There was discussion regarding the right to speak before Council according to residency.

Mayor Knight stated he thought anyone that wanted to talk before the Council could.

Ms. Garret spoke regarding a letter received by Kelly Montgomery from the City Manager concerning his Harbor lease.

Ms. Garrett asked that the Council prepare a letter concerning Children of the Choctaw Nation's visit to Aransas Pass.

ITEM 24. RECESS REGULAR MEETING AND RETIRE TO EXECUTIVE SESSION PURSUANT TO CHAPTER 551 OF TEXAS GOVERNMENT CODE.

Recessed Executive Session at 8:35 p.m.

A Section 551.072 Deliberations Regarding Real Property - Conn Brown Harbor Lease, Part of Lot 101 and all of Lot 102, Landblock S, Conn Brown Harbor.

ITEM 25. RECONVENE IN REGULAR MEETING AND CONSIDER AND ACT ON FINDINGS OF EXECUTIVE SESSION.

Reconvened into Open Session at 8:58 p.m.

A Section 551.072 Deliberations Regarding Real Property - Conn Brown Harbor Lease, Part of Lot 101 and all of Lot 102, Landblock S, Conn Brown Harbor.

No action taken.

ITEM 26. ADJOURNMENT OF MEETING.

Mayor Pro Tempore Attaway made the motion to adjourn the meeting. Council Member Mayer seconded the motion and the motion carried unanimously.

Mayor Knight adjourned the meeting at 8:59 p.m.

Tommy Knight, Mayor

ATTEST:

Ada Owens, City Secretary